

PSC No: 17 - Gas
Rochester Gas and Electric Corporation
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GENERAL INFORMATION

PART II – RULES AND REGULATIONS

4. OPERATIONAL ISSUES (Cont'd)

F. Operational Flow Orders

The Distribution Provider reserves the right to issue an Operational Flow Order (OFO) requiring a change in the delivery of Distribution Customer's gas at either or both of its citygates, at any time that, upon sole determination by the Distribution Provider, such action is required to alleviate conditions which threaten the integrity of the Distribution Provider's distribution system or any of the upstream pipelines serving such distribution system, e.g.:

- (i) Maintain system operations at the pressures required to provide efficient and reliable distribution system operation; or
- (ii) Ensure adequate supplies in the gas system to deliver on demand; or
- (iii) Maintain contractual balance with upstream pipelines serving the Distribution Provider's service territory where an imbalance threatens the integrity of the Distribution Provider's distribution system or any of the upstream pipelines serving such distribution system.

The issuance of an OFO will be defined by the Distribution Provider as either a Type I OFO or Type II OFO. A Type I OFO will be issued when the Distribution Provider's system or a particular citygate cannot tolerate an underdelivery of gas. A Type II OFO will be issued when the Distribution Provider's system or a particular citygate cannot tolerate an overdelivery of gas.

An OFO will be issued on a system-wide basis. A Distribution Customer who has elected to take daily balancing service from the Distribution Provider in accordance with Schedule B will incur those daily settlement charges described in Schedule B. The Distribution Customer will also be responsible for the pro-rata share of any upstream pipeline penalty charges incurred by the Distribution Provider resulting from Distribution Customer activities. As stated in Rule 6.B (2), a Distribution Customer may lose its right to serve Retail Customers as a result of non-compliance.

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester New York